

## Chapter 8 - General Accounting

### PURPOSE

This chapter provides system users with an understanding of general ledger accounting, journal voucher entries, ~~operating~~ transfers, recurring transactions and cash control procedures in R★STARS.

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### Terms

Chart of Accounts  
General Ledger Account  
Journal Entry  
Recurring Transaction  
~~Operating~~ Transfer

General accounting encompasses a number of functional areas. These areas are briefly described below and further discussed in the remaining sections of this chapter.

### General Ledger Accounting

General ledger accounting involves defining the chart of accounts which will enable financial statement preparation to meet both internal and external reporting needs. The chart of accounts consists of asset, liability, equity, budgetary, nominal and memo accounts. The chart of accounts is defined in R★STARS through the Comptroller General Ledger Accounts. When entering transactions into the accounting system, users must be aware of the impact of the transaction code entered and the related general ledger accounts used to classify financial activity.

## Recording Journal Entries

Journal entries are frequently required to adjust financial balances as a result of audit adjustments or errors encountered when entering transactions with incorrect classification elements. Users must understand the cause and result of the required adjustment in order to correctly adjust the financial data.

## ~~Operating~~ Transfers

Transfers are used to record financial activity between agencies and/or funds. Unique general ledger accounts are established for ~~Operating~~ Transfers-In and ~~Operating~~ Transfers-Out.

## Recording and Requesting Recurring Transactions

Transactions which recur on a pre-defined basis, such as rent payments, may be pre-defined using R★STARS recurring transaction capabilities. In addition, commonly used coding blocks can be profiled for on-line retrieval. This feature eliminates the need to re-enter common transactions each period.

## Cash Control

R★STARS provides the ability to control encumbrances and expenditures against available cash balances. This feature may be selected on an appropriated fund or fund basis and on an individual grant basis. Multiple options are available for implementing cash control.

## 8.1 GENERAL LEDGER ACCOUNTING

Prior to implementing an accounting system, the chart of accounts must be defined. Once the account structure has been established, it is important for users to understand how transactions affect those accounts.

In R★STARS, the chart of accounts is established systemwide and is defined through the comptroller general ledger accounts. These accounts are setup and maintained in the D31 Comptroller General Ledger Account profile.

Typical general ledger accounts include “Cash,” “Vouchers Payable,” “Fund Balance — Unreserved” and “Expenditures Control — Cash.” Each agency may, optionally, choose to establish subsidiary ledger accounts to further define the systemwide comptroller general ledger accounts. Subsidiary ledger accounts are established in R★STARS in the D32 Agency General Ledger Account profile. For example, the general ledger account “Accounts Receivable” may be broken down even further by the agencies. To do this, an agency would setup more specific receivable accounts through the use of agency general ledger accounts which would look-up the comptroller general ledger account “Accounts Receivable.” R★STARS ensures that the sum of all the subsidiary ledger accounts (Agency GL Accounts) equals the total balance in the comptroller general ledger accounts.

Profile Listing Reports of the general ledger account and agency general ledger account are also available upon request.

Once the chart of accounts has been defined, the transaction codes which post to these accounts are established in the 28A Transaction Code Decision profile. Since transaction codes define the comptroller general ledger accounts to be posted, it is important for system users to select the appropriate transaction code for each accounting event. When a transaction code is used incorrectly, the financial statements will be misstated.

Accurate financial reporting is one of the primary objectives of maintaining an accounting system. Therefore, users must be aware of how financial transactions affect the chart of accounts defined for the users.

## **8.2 RECORDING JOURNAL ENTRIES**

Journal entries are recorded in an accounting system for two purposes as follows:

- To record high level adjustments typically required at year end due to audit adjustments and accruals.
- To record adjustments affecting the other financial tables, normally required due to inaccurate entry of financial transactions. These journal entries are normally recorded in several R★STARS tables. For example, an adjustment to an encumbrance transaction could be recorded in the General Ledger, Appropriation, Agency Budget, Document, Grant, and Project Financial Tables using a single transaction

The procedures for recording each of these types of journal entries follows.

### **High Level Journal Entries**

High level journal entries may be recorded using transaction codes specifically developed for the required transaction, or may be recorded using “generic” transaction codes. Specific transaction codes are typically developed for journal entries which recur with some frequency. Generic transaction codes are used when a specific transaction code is not available. In other words, only the Summary General Ledger and Accounting Event Tables are updated. For example, a reclassification entry such as reclassifying long-term liability as current would be recorded using a High Level Journal Entry.

Following is a sample of transactions which may be developed specifically to record journal entries at the comptroller general ledger account, and in some cases, agency general ledger account levels:

- Record write-off of uncollectible accounts receivable with agency general ledger support.
- Record accounts receivable with agency general ledger support.
- Record interest earned but not received with agency general ledger support.
- Record accrued taxes receivable.

Journal entries for which specific transaction codes have not been developed may be entered with generic transaction codes. These transactions post only to the General Ledger Table, and if indicated, with the agency general ledger support:

The debit and credit impact of these transaction codes is:

**DR** — General Ledger Account entered on the financial transaction (e.g. Cash,  
Accounts Receivable)

**CR** — System Clearing Account

Or to post the reverse effect, the above transaction could be entered with a reverse code or a separate transaction code could be established. The impact of either transaction would be to:

**DR** — System Clearing Account

**CR** — General Ledger Account entered on the financial transaction

It is important that the System Clearing Account be netted to zero whenever these generic transaction codes are used.

An example of high level journal entries using the 501 Journal Voucher Transaction Entry screen is presented below.

Agency ABZ records the following transaction with TC 482 to establish a due to other appropriated funds and accrued expenditure from an entity not on MAINFACS. TC 483 is used to record adjustments. This TC does not have a companion.

S501 VER 2.0	R★STARS ACCOUNTING	08/15/94 12:00 PM
LINK TO:	JOURNAL VOUCHER TRANSACTION ENTRY	NOTE: FACS
BATCH: AGENCY ABZ DATE 052694 TYPE 5 NO 100 SEQ NO 00001 MODE EDIT AND POST		
DOC DATE: 052694 EFF DATE: 052694 DUE DATE: SERV DATE:		
CUR DOC/SFX: JG000001 001 REF DOC/SFX: AGENCY: ABZ		
TRANS CODE: 482 DUE TO NOT ON MAIN-QUASI EXT		
INDEX: 10000 LOCATION 1		
PCA: 20000 AY: 94		
COMP/AGY OBJ:		
AMOUNT: 5000.00 RVS: FUND OVRD:		
DOC COUNT: DOC AMT: 5000.00 DOC AGY: ABZ		
GL ACCT/AGY: ABZ08230 BANK ID:		
DESCRIPTION: ESTABLISH AMOUNT DUE TO BAT CONVERSATION ORGANIZATION		
APPN NO:		
FUND: 0001 GRANT NO/PH: SUBGRANTEE:		
PROJ NO/PH:		
MPCD: AGY CODE-1: 2: 3:		
DEBT/INVEST ISSUE #:		
RTI:		
F1-HELP F3-RTI F4-EDIT F6-BALANCING F7-DETAILS F9-INTERRUPT F10-SAVE		
F11-SAVE/CLEAR F12-HEADERS CLEAR-EXIT		

## **Low Level Journal Entries**

Lower level journal entries are required when users or subsystem interfaces record transactions with incorrect data elements, such as Index, PCA, Grant, or Comptroller Object, which have financial table impact. When this occurs, two methods are available to correct the entry. These methods are described below.

### **Method 1**

With the first method, the original incorrect transactions are reversed out. Then with another transaction, the entry is corrected and re-entered with a unique batch ID and document ID. This is normally accomplished by using the original transaction code with the opposite value of the reverse code to reverse the invalid transactions. The corrected transaction is then re-entered with the correct transaction code and original reverse code values. If a transaction posts to the Document Financial Table, a different transaction code may be required on reversals.

Once the invalid transaction is reversed, the corrected transaction may be entered. Note, however, that Method 1 is not accomplished by entering a journal entry on the Journal Voucher Transactions Entry screen but by using one of the other Financial Entry screens (the one used for the original, incorrect transaction). This method is used when only a few transactions have been entered incorrectly.

### **Method 2**

The second method of entering journal entries to correct invalid transactions is commonly required when a relatively large number of transactions have been recorded with the same error. For example, a profile maintenance error in the payroll system could cause hundreds of transactions to be recorded in R★STARS with the wrong index code. To reverse each transaction and re-enter them individually would be very time consuming. In many cases it is possible to enter a single transaction to adjust such balances. This is possible if all the transactions in error are within the same fund, appropriation number, program, organization, grant, project, and comptroller object.

Journal entry adjustments are very common for expenditures and revenues which were recorded to the wrong index, comptroller object, or other classification element. Typically, specific transaction codes are established to correct expenditure and revenue data. For example, transaction codes may be defined to record Revenue Transfers-In, Revenue Transfers-Out, Expenditure Transfers-In, and Expenditure Transfers-Out.

These transactions, in effect, transfer the expenditures or revenues from one accounting classification to another. Two examples of transferring payroll costs from one index to another index are provided on the Transaction Entry screens on the following pages.

Each of the transactions in the examples uses the same current document number. However, to make the transactions unique to R★STARS, the current document suffix is changed (system generated). The current document suffix allows for many similar transactions to be entered within one current document number.

- **Suffix 001** Using the transaction code for “Payroll & Travel Expenditure Adjustment - Increase” (TC 415), charges PCA 20000 and Fund 0001 with payroll costs which were incorrectly charged by the payroll system to PCA 21000 and Fund 0001. Note that this transfer of expenditures is within the same fund. It is illustrated in the screen print below.

```

S505 VER 2.0                      R★STARS ACCOUNTING                      08/15/94 12:00 PM
LINK TO:                          PRE-ENC/ENC/EXPEND TRANSACTION ENTRY      NOTE:          FACS
BATCH: AGENCY ABZ DATE 052694 TYPE G NO 200 SEQ NO 00001 MODE EDIT AND POST
DOC DATE: 052694 EFF DATE: 052694 DUE DATE:          SERV DATE:
CUR DOC/SFX: GW000000 001 REF DOC/SFX:          MOD:      AGENCY: ABZ
  TRANS CODE: 415          PAYROLL & TRAVEL EXPEND ADJ - INCREASE
    INDEX: 10000          LOCATION 1
      PCA: 20000
COMP/AGY OBJ: 5205          SALARY AND WAGE SUMMARY ADJUSTMENTS          AY: 94
  AMOUNT: 12000.00          RVS:      DISC:          1099:      FO:      PDT:
DOC COUNT: 00000 DOC AMT: 24000.00          DOC AGY: ABZ CI:      PROP #:
  INV NO:          DT:          DESC:
VEND/MC:          NM:
CONT NO:          ADD1:
WARR NO:          ADD2:
APPN NO: 04514          ADD3:
FUND: 0001 BNK ID:          ADD4:
GL AC/AGY:          CITY:          ST:          ZIP:          CTRY:
  GRANT NO/PH:          SUBGRANTEE:          PROJ NO/PH:
  MPCD:          AGY CD-1:      2:      3:          DI:          RTI:

F1-HELP  F3-RTI  F4-EDIT  F6-BALANCING  F7-DETAILS  F9-INTERRUPT  F10-SAVE
F11-SAVE/CLEAR  F12-HEADERS  CLEAR-EXIT

```



- **Suffix 002** Credits PCA 21000 and Fund 0001 with the payroll costs which were transferred to the PCA on the Suffix 001 transaction. Note that this can be done using the same “Payroll & Travel Wage Expenditure Adjustment - Increase” transaction code 415, and setting the reverse code to “R” or by using a different transaction code 414 “Payroll & Travel Wage Expenditure Adjustment - Decrease”. In this example we have illustrated the latter alternative. Note that the reverse code is blank.

```

S505 VER 2.0                      R★STARS ACCOUNTING                      08/15/94 12:00 PM
LINK TO:                          PRE-ENC/ENC/EXPEND TRANSACTION ENTRY    NOTE: FACS
BATCH: AGENCY ABZ DATE 052694 TYPE G NO 200 SEQ NO 00002 MODE EDIT AND POST
DOC DATE: 052694 EFF DATE: 052694 DUE DATE: SERV DATE:
CUR DOC/SFX: GW000000 002 REF DOC/SFX: MOD: AGENCY: ABZ
TRANS CODE: 414 PAYROLL & TRAVEL WAGE EXPEND ADJ - DECREASE
INDEX: 10001 LOCATION 2
PCA: 21000 AY: 94
COMP/AGY OBJ: 5205 SALARY AND WAGE SUMMARY ADJUSTMENTS
AMOUNT: 12000.00 RVS: DISC: 1099: FO: PDT:
DOC COUNT: 00001 DOC AMT: 00000024000.00 DOC AGY: ABZ CI: PROP #:
INV NO: DT: DESC:
VEND/MC: NM:
CONT NO: ADD1:
WARR NO: ADD2:
APPN NO: 04516 ADD3:
FUND: 0001 BNK ID: ADD4: CTRY:
GL AC/AGY: CITY: ST: ZIP:
GRANT NO/PH: SUBGRANTEE: PROJ NO/PH:
MPCD: AGY CD-1: 2: 3: DI: RTI:

F1-HELP F3-RTI F4-EDIT F6-BALANCING F7-DETAILS F9-INTERRUPT F10-SAVE
F11-SAVE/CLEAR F12-HEADERS CLEAR-EXIT

```

- **Suffix 003** Charges PCA 20000 and Fund 0002 with payroll costs which were incorrectly charged by the payroll system to PCA 21212 and Fund 0001. Note that this transfer is between Funds.

```

S505 VER 2.0                      R★STARS ACCOUNTING                      08/15/94 12:00 PM
LINK TO:                          PRE-ENC/ENC/EXPEND TRANSACTION ENTRY      NOTE:          FACS
BATCH: AGENCY ABZ DATE 052694 TYPE G NO 200 SEQ NO 00003 MODE EDIT AND POST
DOC DATE: 052694  EFF DATE: 052694  DUE DATE:          SERV DATE:
CUR DOC/SFX: GW000000 003  REF DOC/SFX:          MOD:      AGENCY: ABZ
  TRANS CODE: 415          PAYROLL & TRAVEL EXPEND ADJ - INCREASE
    INDEX: 10000          LOCATION 1
      PCA: 20000
COMP/AGY OBJ: 5205          SALARY AND WAGE SUMMARY ADJUSTMENTS          AY: 94
  AMOUNT: 3000.00          RVS:      DISC:          1099:      FO:      PDT:
DOC COUNT: 00001 DOC AMT: 00000006000.00 DOC AGY: ABZ CI:      PROP #:
  INV NO:          DT:          DESC:
VEND/MC:          NM:
CONT NO:          ADD1:
WARR NO:          ADD2:
APPN NO: 04514          ADD3:
FUND: 0002 BNK ID:          ADD4:
GL AC/AGY:          CITY:          ST:          ZIP:          CTRY:
GRANT NO/PH:          SUBGRANTEE:          PROJ NO/PH:
MPCD:          AGY CD-1:      2:      3:          DI:          RTI:

F1-HELP  F3-RTI  F4-EDIT  F6-BALANCING  F7-DETAILS  F9-INTERRUPT  F10-SAVE
F11-SAVE/CLEAR  F12-HEADERS  CLEAR-EXIT

```

- **Suffix 004** Credits PCA 21212 and Fund 0001 with the payroll costs which were transferred to the PCA and Fund on the Suffix 003 transaction.

```

S505 VER 2.0                      R★STARS ACCOUNTING                      08/15/94 12:00 PM
LINK TO:                          PRE-ENC/ENC/EXPEND TRANSACTION ENTRY      NOTE:                          FACS
BATCH: AGENCY ABZ DATE 052694 TYPE G NO 200 SEQ NO 00004 MODE EDIT AND POST
DOC DATE: 052694 EFF DATE: 052694 DUE DATE:                          SERV DATE:
CUR DOC/SFX: GW000000 004 REF DOC/SFX:                          MOD: AGENCY: ABZ
TRANS CODE: 414 PAYROLL & TRAVEL WAGE EXPEND ADJ - DECREASE
INDEX: 10000 AGENCY FUNDS - LOCAL
PCA: 21212 AY: 94
COMP/AGY OBJ: 5205 SALARY AND WAGE SUMMARY ADJUSTMENTS
AMOUNT: 3000.00 RVS: DISC: 1099: FO: PDT:
DOC COUNT: 00001 DOC AMT: 00000006000.00 DOC AGY: ABZ CI: PROP #:
INV NO: DT: DESC:
VEND/MC: NM:
CONT NO: ADD1:
WARR NO: ADD2:
APPN NO: 04518 ADD3:
FUND: 0001 BNK ID: ADD4: CTRY:
GL AC/AGY: CITY: ST: ZIP:
GRANT NO/PH: SUBGRANTEE: PROJ NO/PH:
MPCD: AGY CD-1: 2: 3: DI: RTI:

F1-HELP F3-RTI F4-EDIT F6-BALANCING F7-DETAILS F9-INTERRUPT F10-SAVE
F11-SAVE/CLEAR F12-HEADERS CLEAR-EXIT

```

Redistribution of revenue may be performed on one of two screens, depending upon the circumstances. If cash receipts are recorded to a wrong classification (such as Comptroller Object) or are recorded to a miscellaneous classification, the subsequent adjustment may be entered on the 504 Revenue/Receipts Transaction Entry screen. If for any other reason a revenue redistribution is required, the 501 Journal Voucher Transaction Entry screen should be used.

Some types of transactions, those that point to the Document Financial Table, may not be corrected in this manner because of the way they are recorded in the system. These transactions include encumbrances, accounts receivables, and accounts payables. To determine if journal entries may be entered to adjust balances without reversing the original transactions, follow the guidelines listed below:

- Claims payable transactions entered with the wrong fund must be reversed and re-entered at the detail transaction level. This procedure is required because vouchers payable transactions recorded in the database for payment processing form the basis of the system-generated transactions which reduce the claims payable liability account in each fund. If incorrect fund codes remain in the database relating to payment processing, the payment generator will generate transactions to be posted to the wrong funds.

- Pre-encumbrance and encumbrance transactions entered with classification elements which are outside of the correct appropriation accounts must be adjusted down or canceled. For example, if an encumbrance is entered with a PCA within Appropriation “11111” and it should have been entered with a PCA within Appropriation “22222,” the PCA classification is considered outside the correct appropriation. This type of transaction must either be adjusted down or canceled and then re-entered. If this procedure is not followed, the subsequent payment voucher transaction will be rejected.
- Accounts receivable transactions entered in the Document Financial Table with classification elements outside of the correct appropriation accounts must be adjusted down or written off. The reason for this procedure is similar to the previous example. If the transaction is not corrected in this manner, the subsequent cash receipt transaction referencing the accounts receivable will be rejected.

### 8.3 INTERAGENCY TRANSFERS

Interagency transfers are used to record financial activity between agencies and/or funds. In general, the agencies should record "Due To" and "Due From" transactions when the interagency transfers/billings take place. If the agencies do not record these accrual entries as they are incurred, year-end journal entry adjustments will be required to record the year-end accrual amounts.

The remainder of this section provides an example transaction for recording interagency transfers using the 509 Companion Transaction Entry screen. This screen is used for entering two related transactions, typically to two different agencies. As the transactions are entered at the same time, the system balancing process ensures that the transactions are for the same amount.

Agency ABZ records the following entry for printing fees due from Agency ABC.

```

S509 VER 2.0                R★STARS ACCOUNTING                08/15/94 12:00 PM
LINK TO:                    COMPANION TRANSACTION ENTRY        NOTE:     FACS

BATCH: AGENCY ABZ DATE 052694 TYPE G NO 500 SEQ NO 00001 MODE EDIT AND POST
--DOCUMENT INFORMATION: DOC DATE: 052694 EFF DATE: 052694
      TRANS AMOUNT: 10000.00
      DOC AGY: ABZ   CUR DOC: GT000002   DOC AMT: 20000.00   DOC COUNT:
      DESC: DUE TO/FROM FOR PRINTING FEES
--TRANSACTION INFORMATION: #1                BANK ID:
SFX: 001 SER DATE:          REF DOC/SFX:          MOD:   AGY: ABZ   TC: 400
INDEX: 73000 PCA: 00001 AY: 94 COBJ/AOBJ: 1565     APPN NO: 04561 FUND: 0003
      VEND/MC:          CONT NO:          GL AC/AGY:
      GRANT/PH:          SUBGRANTEE:        PROJ/PH:          FO:
      MPCD:          AGY CD-1:      2:      3:      DI:          RVS:
--TRANSACTION INFORMATION: #2                BANK ID:
SFX:          SER DATE:          REF DOC/SFX:          MOD:   AGY: ABC   TC: 401
INDEX: 72000 PCA: 00002 AY: 94 COBJ/AOBJ: 6135     APPN NO: 04511 FUND: 0006
      VEND/MC:          CONT NO:          GL AC/AGY:
      GRANT/PH:          SUBGRANTEE:        PROJ/PH:          FO:
      MPCD:          AGY CD-1:      2:      3:      DI:          RVS:

F1-HELP      F4-EDIT      F5-NEXT      F6-BALANCING      F9-INTERRUPT
F10-SAVE     F11-SAVE/CLEAR  CLEAR-EXIT

```

### Operating Transfers

Operating Transfers are transfers-transactions between different D22 Appropriated Funds within an agency or between agencies. Therefore, an interagency agreement letter should be signed by both agencies. The following TCs are to be recorded by the paying agency.

TCs 400 and 401 are entered using Batch Type G, on S509 Companion Transaction Entry.

TC 400      Interfund ~~Operating~~ Transfer - In

0070      Equity in Common Cash

3150      ~~Operating~~ Transfers In Control

**and**

TC 401      Interfund ~~Operating~~ Transfer - Out

3550      ~~Operating~~ Transfers Out Control

0070      Equity in Common Cash

General Ledger Account 3150, ~~Operating~~ Transfers In Control, identifies the agency from which the amounts are from in the first three characters and the D23 Fund from which the amounts are from in the last four characters. The last character is always zero.

General Ledger Account 3550, ~~Operating~~ Transfers Out Control, identifies the agency to which the amounts were sent in the first three characters and the D23 Fund to which the amounts were sent in the last four characters. The last character is always zero.

The first three characters are edited against the D02 Agency profile, and the next four characters are edited against the D23 Fund profile. If the agency and/or fund are not valid in their respective profiles, errors are issued.

In the following example, of a Companion Transaction Entry for Interfund ~~Operating~~ Transfer, Lottery (275) is transferring cash from Appropriated Fund 0335 to Education's (313) School Aid Fund 0122. TC 401, Interfund ~~Operating~~ Transfer Out, would show the Agency General Ledger 313 and Education's D23 where the cash is recorded.

TC 400, Interfund ~~Operating~~ Transfer In, would show the Agency General Ledger 275 and the D23 that the cash was transferred from.

<b><u>TC</u></b>	<b><u>First Digits of Agency G/L</u></b>	<b><u>Last Four Digits of Agency G/L</u></b>	<b><u>Last Digit</u></b>
TC 400	MAIN FACS agency number where the Interfund <del>Operating</del> Transfers In and cash is recorded	MAIN FACS Agency's D23 Fund where the Interfund <del>Operating</del> Transfers In and cash is recorded	Should be zero
TC 401	MAIN FACS agency number where the Interfund <del>Operating</del> Transfers Out and decreases in cash are recorded	MAIN FACS Agency's D23 Fund where the Interfund <del>Operating</del> Transfers Out and decreases in cash are recorded	Should be zero

The following is an example of the Companion Transaction Entry for a Interfund **Operating** Transfer from Lottery to Education for \$1.0 million.

```

S509 VER 2.0          STATE OF MICHIGAN DEVELOPMENT          03/06/95 06:00 PM
LINK TO:              COMPANION TRANSACTION ENTRY           NOTE: N   DEV

BATCH: AGENCY 275 DATE 022495 TYPE G NO 001 SEQ NO 00003 MODE EDIT AND POST
--DOCUMENT INFORMATION: DOC DATE: 022495 EFF DATE: 022495
      TRANS AMOUNT:
      DOC AGY: 275   CUR DOC: GT000001   DOC AMT: 0002000000.00 DOC COUNT: 00002
      DESC: OCT-JAN LOTTERY TRANS TO SAF
--TRANSACTION INFORMATION: #1          BANK ID: 000
SFX: 003 SER DATE: 013195 REF DOC/SFX:          MOD:   AGY: 275   TC: 401
INDEX: 01199 PCA: 50100 AY: 95 COBJ/AOBJ: 6915   APPN NO: 05010 FUND: 0335
      VEND/MC:          CONT NO:          GL AC/AGY:          27508230
      GRANT/PH:          SUBGRANTEE:          PROJ/PH:          FO:
      MPCD:          AGY CD-1:          2:          3:          DI:          RVS:
--TRANSACTION INFORMATION: #2          BANK ID: 000
SFX: 004 SER DATE: 013195 REF DOC/SFX:          MOD:   AGY: 313   TC: 400
INDEX: 74145 PCA: 74145 AY: 95 COBJ/AOBJ: 2020   APPN NO: 99950 FUND: 0823
      VEND/MC:          CONT NO:          GL AC/AGY:          31303350
      GRANT/PH:          SUBGRANTEE:          PROJ/PH:          FO:
      MPCD:          AGY CD-1:          2:          3:          DI:          RVS:

TRANSACTION SUCCESSFULLY WRITTEN
F1-HELP      F4-EDIT      F5-NEXT      F6-BALANCING      F9-INTERRUPT
F10-SAVE     F11-SAVE/CLEAR  CLEAR-EXIT

```

GT is the proper document type.

User Class 93 is used for the entry of **operating**-transfers between agencies. User Class 94 is used for the approval of the **operating**-transfers between agencies. These user classes allow access to all agencies. The only transaction codes valid for User Class 93 are 400 through 403, 454, and 455. The only transaction codes valid for User Class 94 are 400 through 403, 407, 408, 412 - 415, and 429. User Class 94 allows for the entry of Agency Action Code 000-950, Operating Transfer Approved, and Agency Action Code 000-951, Operating Transfer Rejected. If an agency rejects an **operating**-transfer, the agency must reverse the associated transactions.

## **8.4 RECORDING AND REQUESTING RECURRING TRANSACTIONS**

The ability to automatically post recurring transactions is available in R★STARS to reduce the manual effort necessary for repetitive posting of like transactions. R★STARS includes a Recurring Transaction subsystem which allows fixed transaction schedules and coding blocks to be stored and accessed to automatically generate transactions. This subsystem is most frequently used for payments which occur regularly in the same amount, such as rent payments, and for periodic or monthly accruals, such as amortization of pre-paid expenses.

The Recurring Transaction subsystem is user maintained through the use of two system profiles. The 550 Recurring Transaction profile contains all of the data elements necessary to record any transaction in R★STARS and includes fields to define the frequency of generation of the transaction. This profile is maintained by agency personnel and is used to define and retrieve on-line coding blocks commonly used for processing transactions in R★STARS. The second profile is the 93 Recurring Transaction Request profile which allows users to request the generation of a series of transactions.

The 550 Recurring Transaction profile also includes the data elements necessary to record Split Transactions. R★STARS Transaction Split process provides the capability for splitting various types of transactions, including revenues and expenditures, into multiple transactions with classifications provided through the Recurring Transaction profile. The remainder of this section discusses the traditional types of recurring transactions. See Chapter 3 for discussion of Transaction Split Processing.

### **Recurring Transaction Profile**

The 550 Recurring Transaction profile is used to record the data elements required to define a recurring transaction and the schedule on which it will be generated. For example, a monthly lease to be paid in twelve equal payments during Fiscal Year 1991 would be defined in this profile using the following elements:

- |  |   |
|--|---|
| ■ <b>Agency</b>                            | Each agency maintains its own profiles.   |
| ■ <b>Transaction Number</b>                | The user determines a numbering convention to be used to uniquely identify each recurring transaction definition.   |
| ■ <b>Recurring Transaction Index (RTI)</b> | The user uniquely identifies each coding block; a coding block can be retrieved for processing by entering the batch agency and the recurring transaction indicator on any Financial Transaction Entry screen and selecting F3. |



- **RTI Type**

Valid values are “R” (Regular) and “S” (Split). The recurring transaction indicator type defaults to “R,” which indicates that the recurring transaction indicator record will be used for traditional recurring transactions. The user will enter “S” when using Transaction Split Processing capabilities.
- **Transaction Generate Schedule**

Four sets of Month/Day (MMDD) fields are provided to schedule the transactions to be generated on specific dates, each week, each month and so on. The lease payment in the example is to be generated each month; therefore, the Day field would be entered as any day of the month such as 01 (the first day).
- **Coding Block**

The transaction code and classification elements for each transaction are entered in the 550 profile. To define the lease payment, the appropriate payment voucher transaction code, PCA and comptroller object are required. Additional classification elements such as grant and project could also be entered.
- **Amount/Percent Allocated**

The amount or line percent allocation of each transaction is also entered. If the annual lease amount is \$12,000, the monthly amount would be entered as \$1,000. If the percent allocation is entered, the total percentage allocation must equal 100% percent of all transactions assigned to an RTI. F12 must be selected to activate all transactions for a given RTI.

Each of these elements in the Recurring Transaction profile are accessed by the subsystem when generating recurring transactions.

The Recurring Transaction profile is accessed by selecting the “Financial Data Entry” option from the Main Menu and then selecting option “550” from the submenu or selecting the function key associated with the Recurring Transaction option. Input coding instructions for the 550 profile can be found in Chapter 6.

**Example 1**

Agency ABZ has signed a one year lease, effective 07/01/1993, for \$12,000 to be paid monthly on the first day of each month. The lease was encumbered using Document Number EE001234, suffix 001. The completed Recurring Transaction Profile screen for the transaction to record a "Claim Payable Previously Encumbered" is shown below. This transaction will be automatically generated based on parameters set in the 93 Recurring Transaction Request profile.

```

S550                      R★STARS ACCOUNTING                      08/15/94 12:00 PM
LINK TO:                  RECURRING TRANSACTION PROFILE                      FACS

AGENCY: ABZ   TRANS NO:                                RTI:           RTI TYPE: R
USER ID: GZ766V   DESCRIPTION: LEASE PAYMENT
GENERATE SCHEDULE (MMDD) - 1:           2:           3:           4:
BATCH - AGY: ABZ   TYPE: 4   DOC DATE:           SERV DATE: 07011993
CUR DOC/SFX: VZ224444 001           REF DOC/SFX: EE001234 001
TRANS CODE: 225
INDEX:
PCA: 00007
COMP/AGY OBJ: 7102
AMOUNT: 00000001000.00 RVS:   DISCOUNT:           FUND OVRD:
DOC AMT: 00000001000.00 DOC AGY: ABZ           BANK ID:
% ALLOCATED:           PDT:   MOD: P   APPN YEAR: 94   APPN NO:
FUND: 0001   GL ACCT/AGY:
GRANT NO/PH:           SUBGRANTEE:           PROJ NO/PH:
MPCD:           AGY CD - 1:           2:           3:
VEND/MC: 1111111111 111           STATUS CODE: A
EFF START DATE: 07011994   EFF END DATE: 06301994   LAST PROC DATE: 07011993

F1-HELP   F3-DELETE   F4-EDIT   F5-NEXT TRANS NO   F8-NEXT FOR RTI   F9-INTERRUPT
F10-SAVE   F11-SAVE/CLEAR   F12-RTI COMPLETE   ENTER-INQUIRE   CLEAR-EXIT

```

**Example 2**

Agency ABZ maintains the Recurring Transaction Request profile on a weekly basis. On July 27 this profile is completed to request a proof list of the transactions scheduled from July 30 to August 5. The appropriate Recurring Transaction Request Profile screen is shown below.

S093		R★STARS ACCOUNTING		08/15/94 12:00 PM	
LINK TO:		RECURRING TRANSACTION REQUEST		FACS	
AGENCY:					
CYCLE	FROM DATE	TO DATE	TRANS	FROM DATE	TO DATE
SELECTION:	MMDD	MMDD	IND	MMDD	MMDD
	1: 0730	0805		4:	
	2:			5:	
	3:			6:	
TRANSACTIONS TO EXCLUDE:					
1:	2:	3:	4:	5:	
6:	7:	8:	9:	10:	
TRANSACTIONS TO INCLUDE:					
1:	2:	3:	4:	5:	
6:	7:	8:	9:	10:	
STATUS CODE: A					
EFF START DATE: 03251991		EFF END DATE:		LAST PROC DATE: 07011993	
F1-HELP F3-DEL F5-NEXT F9-INT F10-SAVE F11-SAVE/CLEAR ENTER-INQ CLEAR-EXIT					

If the Transaction Indicator on the Recurring Transaction Request profile above were “G,” it would result in the automatic generation of the lease payment transaction pre-defined in Example 1. This is because the generate schedule on 550 screen is “01,” which falls between the cycle selection dates “0730” and “0805.”

After reviewing the proof list, appropriate management approves the lease payment. However, Agency ABZ has not submitted appropriate documentation to support the lease payment. Therefore, this transaction will be excluded from the generation of the transactions. The Recurring Transaction Request Profile screen is shown below.

S093		R★STARS ACCOUNTING		08/15/94 12:00 PM	
LINK TO:		RECURRING TRANSACTION REQUEST		FACS	
AGENCY:					
CYCLE	FROM DATE	TO DATE	TRANS	FROM DATE	TO DATE
SELECTION:	MMDD	MMDD	IND	MMDD	MMDD
	1: 0730	0805		4:	
	2:			5:	
	3:			6:	
TRANSACTIONS TO EXCLUDE:					
1: 654321	2:	3:	4:	5:	
6:	7:	8:	9:	10:	
TRANSACTIONS TO INCLUDE:					
1:	2:	3:	4:	5:	
6:	7:	8:	9:	10:	
STATUS CODE: A					
EFF START DATE: 03251991		EFF END DATE:		LAST PROC DATE: 07011993	
F1-HELP F3-DEL F5-NEXT F9-INT F10-SAVE F11-SAVE/CLEAR ENTER-INQ CLEAR-EXIT					

### Example 3

On July 30, the agency updated the 93 Recurring Transaction Request profile, as illustrated below. This entry will cause the following system actions:

- The cycle selection “0730 to 0805” will generate transactions, including the lease payment in Example 1.
- The cycle selection “0806 to 0812” will print a proof list for the transactions scheduled for next week.

The 93 Recurring Transaction Request profile requesting generation of “0730 to 0805” transaction and a proof list of “0806 to 0812” transactions is shown below.

During system processing, transaction indicators equal to “G” are blanked out. Transaction indicators equal to “P” remain on the screen.

```

S093 2.0                                R★STARS ACCOUNTING          08/15/94 12:20 PM
LINK TO:                                RECURRING TRANSACTION REQUEST      BLDV

AGENCY: ABZ
CYCLE                                     FROM DATE  TO DATE  TRANS  FROM DATE  TO DATE  TRANS
SELECTION:                               MMDD      MMDD      IND      MMDD      MMDD      IND
      1: 0730                            0805      G      4:
      2: 0806                            0812      P      5:
      3:                                6:

TRANSACTIONS TO EXCLUDE:
      1:                                2:          3:          4:          5:
      6:                                7:          8:          9:         10:

TRANSACTIONS TO INCLUDE:
      1:                                2:          3:          4:          5:
      6:                                7:          8:          9:         10:

EFF START DATE: 03251991  EFF END DATE:          STATUS CODE: A
                                  LAST PROC DATE: 08041993

F1-HELP F3-DEL F5-NEXT F9-INT F10-SAVE F11-SAVE/CLEAR ENTER-INQ CLEAR-EXIT

```

## On-Line Use of Recurring Transactions

The Recurring Transactions profile is used to define various coding blocks which can be retrieved on-line through the use of a recurring transaction indicator. The recurring transaction indicator is assigned by each agency and uniquely identifies specific coding blocks to be retrieved.

A specific coding block can be retrieved from the recurring transaction indicator by entering the agency and recurring transaction indicator on any Financial Transaction Entry screen, and selecting the F3 key. A defined coding block for agency ABZ is shown below. The following page shows the Transaction Entry screen before the Recurring Transaction indicator is entered and shows the transaction entry after the Recurring Transaction indicator is entered and F3 is selected. Note that because the dollar amount was left blank on the Recurring Transaction Indicator profile, it must be keyed in on the Transaction Entry screen before F10 or F11 is selected. After the coding block is retrieved, the transaction is processed by R★STARS in the same manner that other on-line financial transactions are processed.

```

S550 2.0                      R★STARS ACCOUNTING                      08/15/94 12:00 PM
LINK TO:                      RECURRING TRANSACTION PROFILE          FACS

AGENCY: ABZ   TRANS NO: 100000                      RTI: 100000   RTI TYPE: R
USER ID: AFS0001   DESCRIPTION: CODING BLOCK FOR DATA ENTRY
GENERATE SCHEDULE (MMDD) - 1: 01   2:   3:   4:
  BATCH - AGY: ABZ   TYPE: 4   DOC DATE: 07011993   SERV DATE:
  CUR DOC/SFX: VZ000001 001                      REF DOC/SFX:
    TRANS CODE: 222
      INDEX:
        PCA: 10000
COMP/AGY OBJ: 6232
  AMOUNT:                      RVS:   DISCOUNT:                      FUND OVRD:
  DOC AMT:                      DOC AGY: ABZ                      BANK ID:
% ALLOCATED:                      PDT: R   MOD:   APPN YEAR: 94   APPN NO: 10000
  FUND: 1000   GL ACCT/AGY:
GRANT NO/PH:                      SUBGRANTEE:                      PROJ NO/PH:
  MPCD:                      AGY CD - 1:   2:   3:
  VEND/MC: 1333333333 001                      STATUS CODE: A
EFF START DATE:                      EFF END DATE:                      LAST PROC DATE:

F1-HELP   F3-DELETE   F4-EDIT   F5-NEXT TRANS NO   F8-NEXT FOR RTI   F9-INTERRUPT   F10-SAVE
F11-SAVE/CLEAR   F12-RTI COMPLETE   ENTER-INQUIRE   CLEAR-EXIT

```

Note that the general schedule is not filled in, as this recurring transaction is setup for on-line retrieval and not for automatic generation of the transaction.

Transaction Entry screen before F3 is selected:

```
S505 2.0                      R★STARS ACCOUNTING                08/15/94 12:00 PM
LINK TO:                      PRE-ENC/ENC/EXPEND TRANSACTION ENTRY  NOTE:      FACS
BATCH: AGENCY ABZ DATE 080493 TYPE 4 NO 700 SEQ NO 00001 MODE EDIT AND POST
DOC DATE: 070193   EFF DATE: 080493   DUE DATE:                SERV DATE:
CUR DOC/SFX:      REF DOC/SFX:                MOD:      AGENCY: ABZ
TRANS CODE:
INDEX:
PCA:
COMP/AGY OBJ:
AMOUNT:
DOC COUNT:        DOC AMT:      RVS:    DISC:                1099:    FO:    PDT:
INV NO:           DT:          DESC:
VEND/MC:          NM:
CONT NO:          ADD1:
WARR NO:          ADD2:
APPN NO:          ADD3:
FUND:            BNK ID:      ADD4:
GL AC/AGY:        CITY:
GRANT NO/PH:      SUBGRANTEE:
MPCD:             AGY CD-1:    2:      3:      DI:      RTI: 100000
ST:              ZIP:
PROJ NO/PH:

F1-HELP  F3-RTI  F4-EDIT  F6-BALANCING  F7-DETAILS  F9-INTERRUPT  F10-SAVE
F11-SAVE/CLEAR  F12-HEADERS  CLEAR-EXIT
```

Transaction Entry screen after F3 is selected, but before F10 or F11 is selected:

```

S505 2.0                      R★STARS ACCOUNTING                08/15/94 12:00 PM
LINK TO:                      PRE-ENC/ENC/EXPEND TRANSACTION ENTRY  NOTE:      FACS
BATCH: AGENCY ABZ DATE 080393 TYPE 4 NO 700 SEQ NO 00001 MODE EDIT AND POST
DOC DATE: 070193   EFF DATE: 080393   DUE DATE:      SERV DATE:
CUR DOC/SFX: VZ000001 001 REF DOC/SFX:      MOD:      AGENCY: ABZ
TRANS CODE: 222
INDEX:
PCA: 10000                      AY: 94
COMP/AGY OBJ: 6232
AMOUNT: 000000000000.00 RVS:      DISC:      1099:      FO:      PDT:R
DOC COUNT:      DOC AMT: 000000000000.00 DOC AGY: ABZ CI:      PROP #:
INV NO:      DT:      DESC: CODING BLOCK FOR DATA ENTRY
VEND/MC: 1333333333 001 NM:
CONT NO:      ADD1:
WARR NO:      ADD2:
APPN NO: 10000      ADD3:
FUND: 1000 BNK ID:      ADD4:
GL AC/AGY:      CITY:      ST:      ZIP:      CTRY:
GRANT NO/PH:      SUBGRANTEE:      PROJ NO/PH:
MPCD:      AGY CD-1:      2:      3:      DI:      RTI: 100000

F1-HELP  F3-RTI  F4-EDIT  F6-BALANCING  F7-DETAILS  F9-INTERRUPT  F10-SAVE
F11-SAVE/CLEAR  F12-HEADERS  CLEAR-EXIT

```

Note that the coding elements retrieved are the same as those defined in the 550 Recurring Transaction profile on the previous page.



## 8.5 CASH CONTROL

R★STARS provides the ability to control expenditures and encumbrances against available cash balances. Cash balances can be maintained by appropriated fund or fund and on a grant by grant basis.

The user selects the level of cash control for appropriated fund or fund by setting the cash control indicator on the D23 Fund profile. The valid values for this indicator are:

- 0 — do not post to the Cash Control Financial Table.
- 1 — post the Appropriated Fund to the Cash Control Financial Table.
- 2 — post the Fund to the Cash Control Financial Table.

Users can also choose to control by Agency with the fund selected. The Cash Control Organization Level indicator is also on the D23 Fund profile. The valid values are:

- 0 — do not post Agency to the Cash Control Financial Table.
- 1 — post the Agency to the Cash Control Financial Table.

In addition the severity of control is exercised through the Cash Control Type indicator on the D22 Appropriated Fund profile. This indicator can be set to fatal, warning, or ignore. There is also an Appropriated Cash Control or Level indicator on the D22 Appropriated Fund profile. The Grant Cash Control indicator and the related cash control type for grants are located on the 29 Grant Control profile.